

UNITED STATE DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND

STEPHEN DEL SESTO, AS RECEIVER AND	:	
ADMINISTRATOR OF THE ST. JOSEPH	:	
HEALTH SERVICES OF RHODE ISLAND	:	
RETIREMENT PLAN, ET AL.	:	
	:	
Plaintiffs	:	
	:	
v.	:	C.A. No:1:18-CV-00328-WES-LDA
PROSPECT CHARTERCARE, LLC, ET AL.	:	
	:	
Defendants.	:	

**JOINT MOTION BY SETTLING PARTIES TO PARTIALLY STAY PROCEEDINGS
PENDING JUDICIAL APPROVALS OF SETTLEMENT AGREEMENT**

Pursuant to that certain Settlement Agreement¹ dated as of December 30, 2020 (the “Settlement Agreement”), among *inter alia* Plaintiff Stephen Del Sesto (the “Plan Receiver”) and the individual named plaintiffs (individually and as putative class representatives) (with the Plan Receiver, “Plaintiffs”), Thomas Hemmendinger as Liquidating Receiver (“Liquidating Receiver”) of CharterCARE Community Board (“CCCB”), St. Joseph Health Services of Rhode Island (“SJHSRI”), and Roger Williams Hospital (“RWH”), and Defendants Prospect Medical Holdings, Inc., Prospect East Holdings, Inc., Prospect Chartercare, LLC, Prospect Chartercare SJHSRI, LLC, Prospect Chartercare RWMC, LLC, (the “Prospect Defendants”), and The Angell Pension Group, Inc. (all collectively the “Settling Parties”), the Settling Parties now jointly move

¹ A copy of the Settlement Agreement was filed in the Rhode Island Superior Court as an exhibit to a Stipulation and Consent Order and is available from the Plan Receiver’s website at [https://www.pierceatwood.com/sites/default/files/Stipulation%20%26%20Consent%20Order%20\(entered%20\(Prospect%20%26%20Angell%20settlement\)%5B12639889v1%5D.PDF](https://www.pierceatwood.com/sites/default/files/Stipulation%20%26%20Consent%20Order%20(entered%20(Prospect%20%26%20Angell%20settlement)%5B12639889v1%5D.PDF).

that the Court stay all proceedings as among themselves, pending the judicial approvals (*vel non.*) of the Settlement Agreement.

The Settlement Agreement requires judicial approvals in both the Rhode Island Superior Court and in this Court. On January 25, 2021, the Plan Receiver filed a Petition for Settlement Instructions and Approval in the Superior Court matter St. Joseph Health Services of Rhode Island, Inc. v. St. Joseph Health Services of Rhode Island Retirement Plan, C.A. No. PC-2017-3856 (the “Plan Receivership”). That same day, the Liquidating Receiver filed a Petition for Settlement Instructions in the Superior Court matter In re: CharterCare CharterCARE Community Board, St. Joseph Health Services of Rhode Island and Roger Williams Hospital, C.A. No. PC-2019-11756 (the “Liquidating Receivership”).

If the petitions are granted, then the Plaintiffs will be filing a Motion for Preliminary Settlement Approval, seeking this Court’s approval of the settlement and the certification of a Settlement Class pursuant to Rule 23(b)(1)(B). If granted, that motion will be followed by a Motion for Final Settlement Approval.

In view of all the foregoing, and in the interests of judicial economy and efficiency, the Settling Parties jointly move for a stay of all proceedings amongst themselves other than proceedings relating to the approval of the Settlement Agreement, until such time as the Superior Court in the Receivership Proceeding or the Superior Court in the Liquidating Receivership disapproves the settlement petitions, or until this Court denies the Motion for Preliminary Settlement Approval or the Motion for Final Settlement Approval.

For purposes of this motion, the Settling Parties request a stay solely of the litigation concerning the claims between and among them, and specifically do not request that the proceedings be stayed as to Plaintiffs’ claims against the Defendants Roman Catholic Bishop of

Providence, a corporation sole, Diocesan Administration Corporation, and Diocesan Service Corporation (collectively the “Diocesan Defendants”). The Diocesan Defendants are not parties to the Settlement Agreement.

WHEREFORE, the Settling Parties now jointly move that this Court GRANT this motion and issue an order providing that the proceedings in this action concerning the claims between and among the Settling Parties are stayed, except the proceedings relating to settlement approval, until such time as the Settlement Agreement receives judicial approvals from both the Superior Court and this Court, or until either court declines to issue such approval.

Respectfully Submitted,

STEPHEN DEL SESTO, AS RECEIVER AND
ADMINISTRATOR OF THE ST. JOSEPH
HEALTH SERVICES OF RHODE ISLAND
RETIREMENT PLAN, et al.

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PROSPECT MEDICAL HOLDINGS, INC.
and PROSPECT EAST HOLDINGS, INC.

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January 28, 2021

CERTIFICATE OF SERVICE

I hereby certify that an exact copy of the within document was electronically filed on the 28th day of January, 2021 using the Electronic Case Filing system of the United States District Court and is available for viewing and downloading from the Electronic Case Filing system. The Electronic Case Filing system will automatically generate and send a Notice of Electronic Filing to the following Filing Users or registered users of record:

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